

INSTRUCTIONS FOR PREPARATION OF ANALYSIS OF
"SCIENTIFIC RESEARCH AND DEVELOPMENT ACTIVITIES"

An original and two copies of a report in the form of Exhibit 57-6, together with a brief narrative statement covering the research programs of the agency, are required within 10 calendar days after Presidential allowances are received by the agency, and in no event later than December 15, 1956. The narrative statement should describe in general terms the kinds of research being done by the agency as a whole and the objectives toward which it is aimed. It should be no longer than one page, double spaced.

A separate report is required for each bureau or comparable organizational unit. Each account in which expenditures for research and development programs are \$1,000 or more in one or more of the three years covered by the budget document will be reported. The title of each account will be listed in the stub column, with subentries for "Increase in research and development plant" and "Conduct of research and development."

Expenditures will be reported on the same basis as in the budget document. For public enterprise funds, receipts from research and development activities will be shown as a minus entry following the gross expenditures for these activities. Expenditures will include military pay and allowances. Data on obligations will not be required unless specifically requested by the Bureau of the Budget.

The definitions for 1958 are the same as used in compiling Special Analysis I in the 1957 budget, as follows:

SCIENTIFIC RESEARCH

"Scientific research" is systematic, intensive study directed toward a fuller knowledge of the subject studied.

DEVELOPMENT

"Development" is the systematic use of scientific knowledge directed toward the production of useful materials, devices, systems, methods, or processes, exclusive of design and production engineering.

SCIENTIFIC RESEARCH AND DEVELOPMENT

The term "scientific research and development" is intended broadly to include the actual conduct of research and development, and also all indirect, incidental, or related costs resulting from or necessary to the conduct of such research and development, regardless of whether the work is done by a governmental activity or by private individuals or organizations under a contractual arrangement with the Government. It includes, for example, laboratory overhead and the cost of personnel

- 2 -

engaged in planning and administering research and development programs conducted either by Government employees or through contract or research grant programs. It excludes collection of general-purpose statistics, routine testing, mapping, experimental production, and activities concerned primarily with the dissemination of scientific information or the training of scientific manpower, except where these costs are not a separable portion of the conduct of research and development.

INCREASE IN RESEARCH AND DEVELOPMENT PLANT

"Increase in research and development plant" should include expenditures for physical facilities, such as land, buildings, or equipment, whether real or personal property, where the primary intent is to enlarge the capital plant available for scientific research and development, regardless of whether the plant item is to be used by the Government or a private organization, and regardless of where title to the property may rest.

CONDUCT OF RESEARCH AND DEVELOPMENT

"Conduct of research and development" should include all expenditures for research and development activities other than those for increase in plant.

As in the case of Special Analysis I in the 1957 budget, it should be noted that general-purpose statistical activities are to be omitted, and the pay and allowances of military personnel related to research and development activities are to be included.

SCIENTIFIC RESEARCH AND DEVELOPMENT ACTIVITIES
As reflected in the 1958 budget

Agency: Department of Government

Bureau: Bureau of Research

Account title and description	Expenditures		
	1956	1957	1958
Salaries and expenses:			
Conduct of research and development....	\$11,458,000	\$12,662,000	\$13,210,000
Increase in research and development plant.....	110,000	105,000	100,000
ABC production fund:			
Conduct of research and development:			
Gross expenditures.....	725,000	910,000	875,000
Receipts.....	-10,000	-	-